

HOUSE BILL NO. 463

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE KELLY

Introduced: 2/13/06

Referred: Finance

Funding Information:	General Fund	\$	-0-
	Other Funds		74,500,000
	Total	\$	74,500,000

A BILL**FOR AN ACT ENTITLED**1 **"An Act appropriating funds for energy projects; and providing for an effective date."**2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** ENERGY PROJECTS. (a) The sum of \$74,500,000 is appropriated from the
4 Railbelt energy fund (AS 37.05.520) to the Department of Commerce, Community, and
5 Economic Development for payment as grants under AS 37.05.316 to the following recipients
6 for the following projects in the amounts listed:

7	RECIPIENT	PROJECT	AMOUNT
8	Chugach Electric	New substations and	\$12,500,000
9	Association	transmission lines,	
10		generation site acquisition,	
11		and infrastructure development	
12	Matanuska Electric	New substations and	12,500,000
13	Association	transmission lines,	
14		generation site acquisition,	

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1		and infrastructure development	
2	Copper Valley Electric	Debt reimbursement for costs	4,500,000
3	Association	incurred in generation projects	
4	Homer Electric	Augmentation of existing	12,500,000
5	Association	or new generation at	
6		the Homer Electric Association	
7		Nikiski facility and	
8		upgrade of bulk transmission	
9		facilities within the Kenai	
10		Peninsula Borough subdivision	
11	Alaska Industrial	A new 138 kilovolt or higher	14,000,000
12	Development and	transmission line from	
13	Export Authority	the Douglas substation to	
14		the Stevens substation, to be	
15		an addition to, and operated	
16		in parallel with, the Alaska	
17		Intertie	
18	Municipal Light and	Generation, transmission,	5,000,000
19	Power	and infrastructure	
20		development	
21	Seward Electric System	Transmission and infrastructure	1,000,000
22		development	
23	Alaska Industrial	Repayment of the Alaska	12,500,000
24	Development and	Industrial Development and	
25	Export Authority	Export Authority bonds	
26		associated with the Healy	
27		clean coal project	

(b) If the amount available for appropriation under (a) of this section from the Railbelt energy fund (AS 37.05.520) is less than \$74,500,000, the appropriations made in (a) of this section shall be reduced in proportion to the amount of the shortfall.

(c) If the amount available for appropriation under (a) of this section from the Railbelt

energy fund (AS 37.05.520) is less than \$74,500,000, the difference between \$74,500,000 and the amount available for appropriation under (a) of this section from the Railbelt energy fund (AS 37.05.520) is appropriated from the Alaska Industrial Development and Export Authority fiscal year 2007 dividend declared available by the Alaska Industrial Development and Export Authority board of directors from the unrestricted balance in the Alaska Industrial Development and Export Authority revolving fund (AS 44.88.060) to the Department of Commerce, Community, and Economic Development for payment as grants under AS 37.05.316 to the recipients listed in (a) of this section for the projects listed in (a) of this section in the amounts by which the appropriations in (a) of this section were reduced under (b) of this section.

(d) The appropriations made in (a) and (c) of this section are contingent upon transfer of the Healy clean coal project to the Alaska Railbelt Energy Authority Joint Action Agency and transfer by the Alaska Energy Authority of the funding provided for in sec. 78(c), ch. 1, SSSLA 2002, plus accrued interest on that amount, to the Alaska Railbelt Energy Authority Joint Action Agency.

* **Sec. 2.** The appropriations made in sec. 1 of this Act are for capital projects and lapse under AS 37.25.020.

* **Sec. 3.** This Act takes effect July 1, 2006.